Increase in share of manufacturing in GDP

17. SHRIMATI S.G. INDIRA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Government had decided to increase the share of manufacturing in the country's Gross Domestic Product from 17 to 33 per cent;

(b) if so, the details thereof;

(c) whether it is a fact that Government had consituted a sub-committee to recommend a strategy for growth of the manufacturing sector; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) and (b) Yes, Sir. The Government is, endeavouring to achieve a sustained growth of 12% per annum in manufacturing, *inter alia,* with a view to stepping up the share of manufacturing in GDP.

(c) and (d) A High Level Committee on Manufacturing (HLCM) chaired by the Prime Minister has been set up for resolving policy issues and operationalisation of the plans for growth of various sectors of manufacturing An empowered sub-committee has been constituted to facilitate the functioning of the HLCM.

Decline in exports to USA and European countries

18. DR. M.A.M. RAMASWAMY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether our country's export to USA and European countries is falling;

(b) if so, the reasons therefor;

(c) the action taken in this regard; and

(d) the steps taken by Government to retain the Generalized System of Preferences (GSP) granted by USA?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) to (c) No, Sir. India's exports to USA and European Countries have registered a positive growth during the last two years.

(d) US's GSP scheme is due to expire on December 31, 2006 the office of United States Trade Representative (USTR) had issued a Federal Register Notice on 8th August, 2006 inviting written comments for Administrative Review of GSP Scheme. The Government has taken up this matter with the office of USTR including in the form of submitting written comments to USTR. No decision on this however has been taken by US as on date.

Establishment of Areca Board

19. DR. M.A.M. RAMASWAMY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the arecanut growers of Karnataka have been demanding establishment of an Areca Board;

(b) if so, the details thereof;

(c) the reaction of Government in this regard; and

(d) the steps taken by Government to protect the interests of Areca growers?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) to (c) The Directorate of Arecanut and Spices Development at Calicut under the administrative control of the Department of Agriculture and Co-operation is looking after the production aspects including monitoring of development programme on arecanut crop under National Horticulture Mission. No demand for establishment of an Areca Board has so far been placed before the Department of Agriculture and Co-operation.

(d) To protect the interest of Areca growers, the import duty on arecanut has been raised from 35% to 100% to restrict imports. The Finance Ministry has also issued instructions to Custom officials to prevent illegal entry of arecanut into the country.